

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 12, 1996

SUBJECT: **SB 2573 - HB 2853**

This bill, if enacted, will require public pension plans to honor qualified domestic relations orders and any other order or final decree entered in an action for divorce, annulment or legal separation requiring the attachment or garnishment of public pension benefits.

The fiscal impact from enactment of this bill is estimated to be an increase in first year recurring state expenditures of \$65,000 for two positions in the Division of Retirement and one-time expenditures of \$600,000 for computer programming changes relative to the active and retired member data base. These costs are attributable to accounting for and processing *Qualified Domestic Relations Orders* (QDRO). These costs include designing and drafting relevant plan provisions, reviewing and responding to each QDRO submitted, monitoring accounts that need to be protected from withdrawals while the order is being reviewed, and processing distribution to alternate payees.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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